

28 April 2016

ASX Ltd
20 Bridge Street
Sydney
NSW 2000

Regeneus Ltd (ASX: RGS) – Quarterly results for the period ended 31 March 2016

The Company's Appendix 4C – Quarterly Cash Flows is attached.

The financial highlights for the quarterly reporting period included:

- Achieved better than targeted net operating cash flow for the quarter.
Cash outflow for the quarter was \$1.44 million. Cash flow is tracking consistently better than the target of \$1.70 million per quarter.
- The quarterly cash outflows, excluding R and D Tax Incentive of \$3.4 million received in October 2015, are as follows:

- September quarter	\$1.55 million
- December quarter	\$1.47 million
- March (current) quarter	\$1.44 million

The company has, in principle, finalised a funding arrangement for \$2.0 million. This facility forward funds, via a loan, the Federal Government's research and development tax incentive for FY16. The facility allows the company to draw down up to \$2.0 million to be repaid upon receipt of the incentive. Current estimates of the incentive are in excess of \$2.5 million and consistent with prior years, should be received FY17 quarter 2.

This facility will provide the funds required for ongoing development while the company finalises the licensing of its Progenza mesenchymal stem cell therapy technology for the Japanese market.

Cash position as at 31 March 2016 is \$1.97 million (31 December \$3.40 million).
These funds will support the clinical trials and operating activities throughout FY16.

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10

Name of entity

Regeneus Ltd

ABN

13 127 035 358

Quarter ended ("current quarter")

31st March 2016

Consolidated statement of cash flows – refer to notes at the end of this report.

Cash flows related to operating activities -		Current quarter \$A'000	Year to date (9 months) \$A'000
I.1	Receipts from customers	531	1,447
I.2	Payments for		
	(a) staff costs	(752)	(2,474)
	(b) advertising & marketing	(27)	(79)
	(c) research & development	(787)	(1,901)
	(d) leased assets	-	-
	(e) other working capital	(427)	(1,307)
I.3	Dividends received	-	-
I.4	Interest and other items of a similar nature received	21	43
I.5	Interest and other costs of finance paid	-	(10)
I.6	Income taxes received	-	3,418
I.7	Other (provide details if material) -	-	-
	Net operating cash flows	(1,441)	(863)

	Current quarter \$A'000	Year to date (9 months) \$A'000
1.8 Net operating cash flows (carried forward)	(1,441)	(863)
1.9 Cash flows related to investing activities		
Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets*	(1)	(201)
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	2	18
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other (provide details if material)	-	-
Net investing cash flows	1	(183)
1.14 Total operating and investing cash flows	(1,440)	(1,046)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	-	-
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings – convertible notes now capitalised.	-	-
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Other (provide details if material) – costs associated with share issue	-	-
Net financing cash flows	-	-
Net increase (decrease) in cash held	(1,440)	(1,046)
1.21 Cash at beginning of quarter/year to date	3,407	3,013
1.22 Exchange rate adjustments	-	-
1.23 Cash at end of quarter	1,967	1,967

+ See chapter 19 for defined terms.

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	192
1.25	Aggregate amount of loans to the parties included in item 1.11	-
1.26	Explanation necessary for an understanding of the transactions	

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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- 2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

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Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities		
3.2	Credit standby arrangements		

Reconciliation of cash

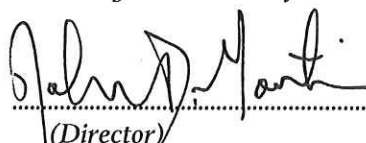
Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	139	373
4.2 Deposits at call	1,828	3,034
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)	1,967	3,407

Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity		
5.2 Place of incorporation or registration		
5.3 Consideration for acquisition or disposal		
5.4 Total net assets		
5.5 Nature of business		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:  Date: 28th April 2016
 (Director)

Print name: John Martin

Notes to be read in conjunction with this report.

General Notes

- The quarterly cash outflows for financial year 2016 continue to be ahead of forecast \$1.7 million per quarter. Excluding the R&D tax incentive of \$3.4 million. The quarterly cash outflows for 2016 are as follows:
 - September quarter \$1.55 million
 - December quarter \$1.47 million
 - March (current) quarter \$1.44 million

+ See chapter 19 for defined terms.